

Message Text

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ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 EB-03 COME-00 NSC-07 NSCE-00

CIAE-00 INR-10 NSAE-00 RSC-01 CIEP-01 OMB-01 TRSE-00

OPIC-02 SP-02 AID-10 H-01 PRS-01 L-02 DRC-01 FEA-01

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P 062118Z JUN 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC PRIORITY 4106

C O N F I D E N T I A L SECTION 1 OF 2 CARACAS 5115

LIMDIS

E.O. 11652: GDS

TAGS: EGEN VE

SUBJECT: CONSENSUS OF AMERICAN BUSINESSMEN ON NEW ECONOMIC
POLICIES OF VENEZUELAN GOVERNMENT

REF: CARACAS 4858

SUMMARY - BOARD OF DIRECTORS OF AMERICAN CHAMBER OF COMMERCE
MONTHLY LUNCHEON JUNE 5 PRODUCED MOST INTERESTING OF ROUND
FORUM DISCUSSIONS I HAVE HEARD IN THOSE LUNCHEONS, DEALING
WITH NEW ECONOMIC POLICIES OF VENEZUELAN GOVERNMENT. BEST
WAY OF SUMMARIZING CONSENSUS IS WITH ANSWER GIVEN ME AT CLOSE
WHEN I ASKED WHAT THEY WOULD WANT ME TO SAY IF I WERE ASKED TO
TELL VENEZUELAN GOVERNMENT OFFICIALS THE VIEWS OF AMERICAN
BUSINESS COMMUNITY. THEY SAID THAT ALTHOUGH THEY ARE CONCERNED
ABOUT MANY UNCERTAINTIES IN NEW POLICIES AS THEY APPLY TO
THEIR INDIVIDUAL COMPANIES THEY ARE HOPEFUL OF CONTINUING
MUTUALLY BENEFICIAL ROLE FOR FOREIGN INVESTMENT IN VENEZUELA.
END SUMMARY

1. MAIN PART OF DISCUSSION WAS GIVEN TO APPRECIATION OF SITUATION
IN WHICH PRINCIPAL PRESENTATION WAS BY JOHN PHELPS JR., WELL
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KNOWN TO DEPARTMENT AS RECENT PRESIDENT OF CICYP, WHO RIGHTFULLY

DESCRIBED HIMSELF AS A "WORKING MEMBER OF THE OLIGARCHY." HE
ACKNOWLEDGED THAT VENEZUELAN ECONOMIC COMMUNITY HAS BEEN DISTURBED
BY MANY OF NEW MEASURES OF GOVERNMENT, BUT PERSONALLY HOWEVER
BELIEVED IT WAS NECESSARY TO PLACE THESE POLICIES IN HISTORICAL
AND POLITICALIVE POSITIONS. VARIOUS AMERICAN
EXECUTIVES, AT SUBSEQUENT POINT IN DISCUSSION, POINTED OUT THAT
EXECUTIVE-MANAGEMENT COMPETENCE IN VENEZUELA IS THIN. IT IS ALL
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VERY WELL TO SEND PEOPLE TO STUDY IN THESE FIELDS ABROAD,
BUT THIS DOES NOT NECESSARILY GIVE THEM COMPETENCE OR JUDGMENT
NEEDED TO RUN COMPLEX INDUSTRIAL AND COMMERCIAL ACTIVITIES.
IT WAS POINTED OUT THAT ALTHOUGH EL TABLAZO AMMONIA PLANT WAS
TEEMING WITH EXPENSIVELY TRAINED VENEZUELAN ENGINEERS, PRODUCTION
HAS FALLEN SO LOW THAT IVP IS NOW ACTUALLY IMPORTING
AMMONIA (CF CARACAS 4902).

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MRN: 1974CARACA005115 SEGMENT NUMBER: 000002 ERROR READING TEXT INDEX
FILE; TELEGRAM TEXT FOR THIS SEGMENT IS UNAVAILABLE

Message Attributes

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